

Q2

24

Interim  
Report

1 januari 2024 – 30 juni 2024

# Speakers



Christian Fredrixon  
Chief Executive Officer



Pia-Lena Olofsson  
Chief Financial Officer

K Supermarket

# Summary of the period

## Q2 2024

(compared  
with Q2 2023)

**Rental income** amounted to EUR 30,447 thousand (29,633).

**Net operating income** totalled EUR 30,457 thousand (28,050).

**Profit from property management** was EUR 10,324 thousand (11,543). Profit from property management, excluding non-recurring items and exchange rate effects, amounted to EUR 11,912 thousand.

**Profit for the period** amounted to EUR 2,226 thousand (3,990), corresponding to EUR 0.03 (0.06) per share.

**Unrealised changes in value** affected by EUR -8,338 thousand (-8,258) on properties and by EUR -331 thousand (2 495) on interest rate derivatives.



# Cibus

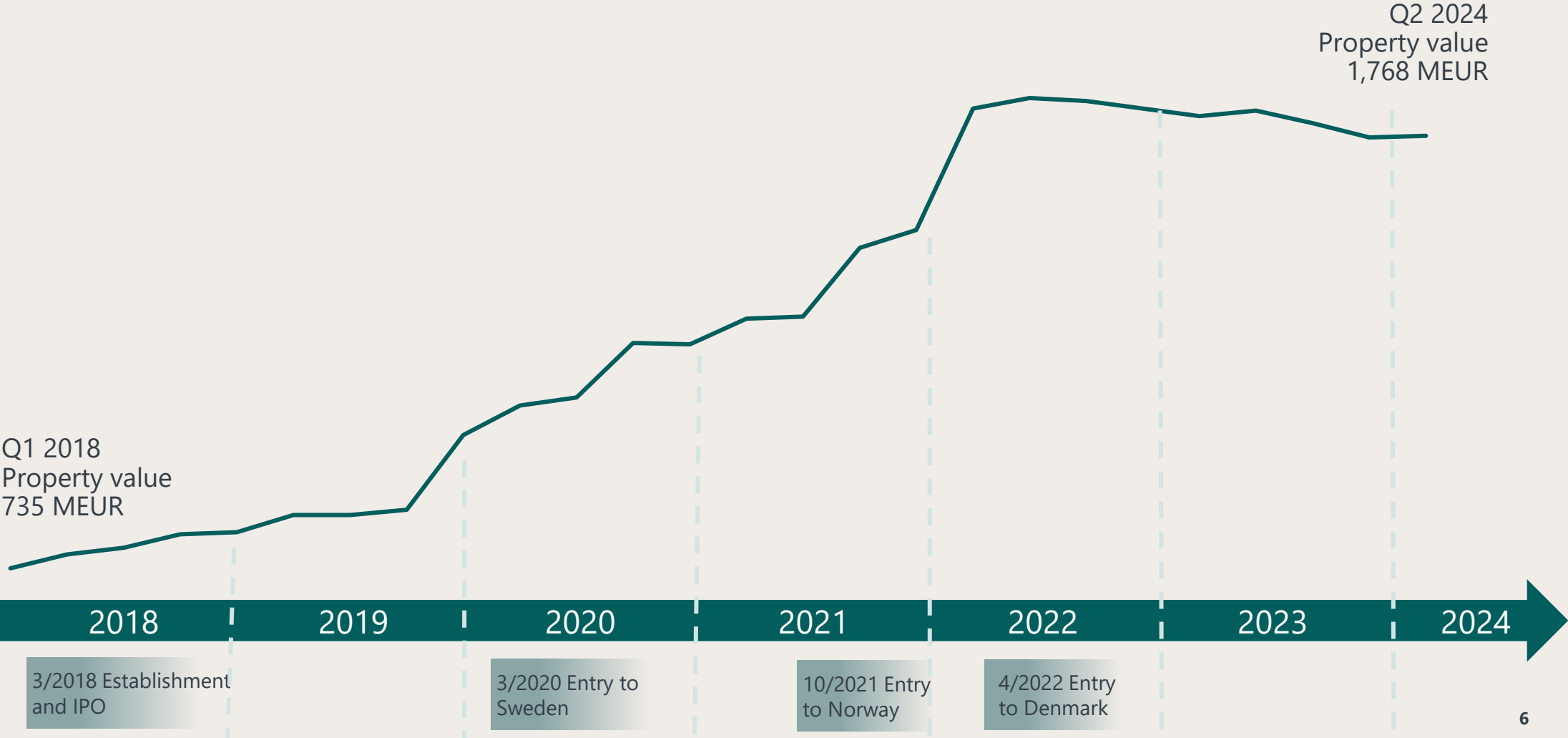
Converting food into yield

# This is Cibus Nordic

- **“Converting Food into Yield”**
- Real estate company **focused purely on daily-goods properties.**
- Aim to create **stable cash flows.**
- Listed since March 2018. Listed on **Nasdaq Stockholm MidCap** since June 2021.
- **Sole listed pure daily-goods real estate vehicle** in the Nordics.
- Grown from Finnish supermarket portfolios into a **Pan-Nordic pure grocery player.**
- **Monthly dividends** to our shareholders.



# Pan-Nordic expansion timeline



# Our properties Q2 2024

455

Properties

1,768

MEUR property value

114.7

MEUR NOI

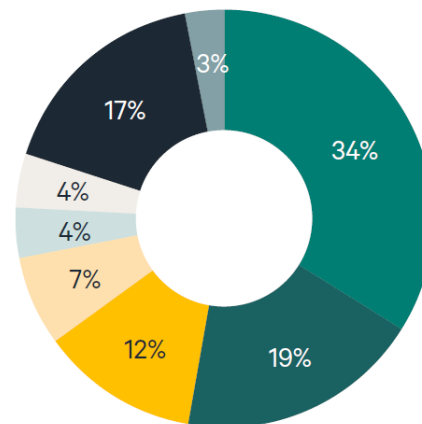
Current earnings capacity

984

Thousand SQM

## Tenants share of NOI

- Kesko
- Tokmanni
- Coop Sverige
- S Group
- Dagrofa
- Lidl
- Other grocery and daily-goods
- Other retail



Netto



Netto



7-22

# Six new properties acquired during Q2 in Sweden

- 6 grocery stores in Värmland
- 88% daily-goods
- 87,5 MSEK (approx. 7.6MEUR)
- 8,900 sqm, 9,830 SEK/sqm
- ICA store with low OCR
- 5 assets let to Pekås (Coop Värmland)
- Pekås:
  - Growth 2023: +8% (+12%)
  - Large own investments in stores
- Cibus own 7 of 15 Pekås stores



Bengtsfors, Bagaren 7&8



Kil, Svärdet 7



Hagfors, Grinnemo 1:288  
Not taken possession yet in Q2



Degerfors, Agen 22:3



Filipstad, Trucken 1



Sunne, Skäggeberg 1:316



# What do we mean by stable cash flows?

## Stable cash flows:

- Focused purely on daily-goods properties.
- **Non-cyclical** daily-goods business.
- 84% of rental income is from **daily-goods tenants**.
- 97% of our 455 properties are **anchored by daily-goods tenants**.
- 99% of rents **linked to CPI-development**.
- **Steady WAULT** and **store location stability**.

## Diversification:

- Geographical **diversification**.
- **455 assets** where largest is 1.7% of net operating income.
- Approx. 2,200 sqm lettable area **average property size**.
- Over 90% of leases are either **net or triple-net** which shelters from property cost increases.
- 97% interest rate **hedging and diverse funding sources**.

Stable  
NOI

Stable  
Earnings  
capacity



# Earnings capacity in focus

- Cibus has historically delivered value to shareholders through dividend yields, EPS growth and total returns.
- Historic operational stability and historic noticeable yield spread.
- Main growth driver 2024 is increasing earnings capacity per share.

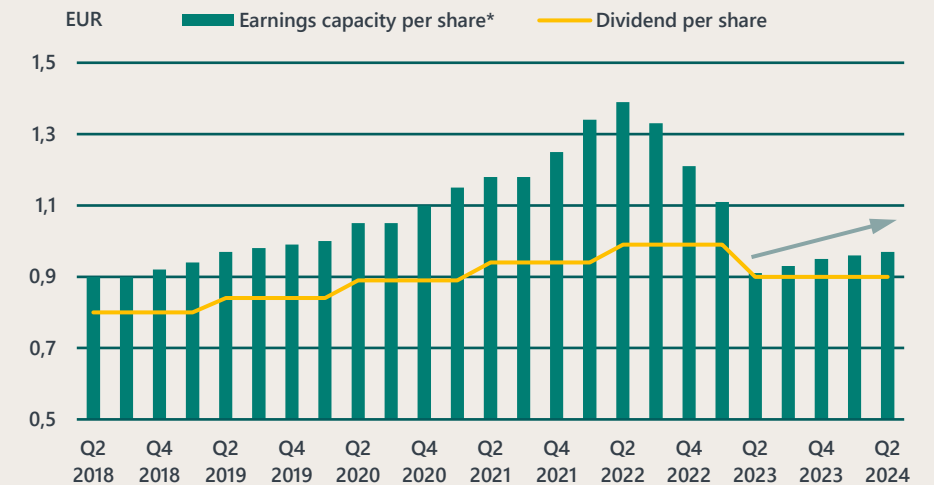
## Earnings capacity cash flow per share has continued to increase:

- 0.91 EUR/share (1 Jul 2023)
- 0.93 EUR/share (1 Oct 2023)
- 0.95 EUR/share (1 Jan 2024)
- 0.96 EUR/share (1 Apr 2024)
- 0.97 EUR/share (1 Jul 2024)

## Long term earnings capacity increasing in Q2 2024 due to:

- Top-line indexation growth and rent renegotiations
- Outcome of bond refinancings passing through
- Acquisition in Sweden

## Earnings capacity and Dividend per share



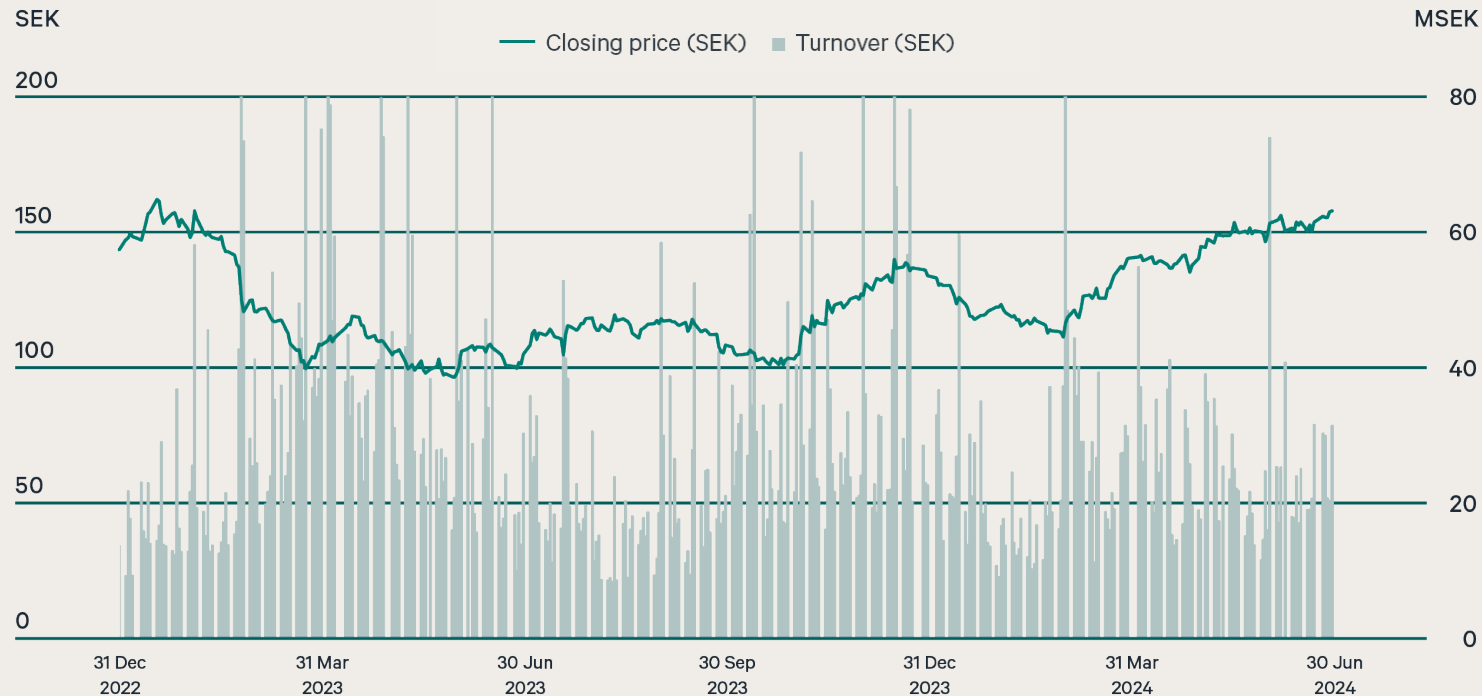
\*Reported figures Q2 2018-Q1 2022 are not adjusted for non-cash items

# Cibus share price performance

Average daily volume total SEK 60 million of which Nasdaq daily volume is SEK 29 million with about 2,400 transactions per day

**30 June 2024:**

Share price SEK 157,80



# Shareholders as of 30<sup>th</sup> of June 2024

Cibus Nordic Real Estate

Name	No. of shares	Percentage
Länsförsäkringar Fonder	4,470,601	7.8
Fjärde AP-fonden	3,545,689	6.2
Vanguard	2,466,842	4.3
Avanza Pension	2,321,598	4.0
Nordnet Pensionsförsäkring	1,807,488	3.2
BlackRock	1,798,303	3.1
Clearance Capital	1,505,327	2.6
Handelsbanken Fonder	1,214,204	2.1
Sensor Fonder	1,213,391	2.1
Tredje AP-fonden	1,130,000	2.0
Columbia Threadneedle	807,357	1.4
American Century Investment Management	718,208	1.3
Carnegie Fonder	672,882	1.2
DWS Investments	633,126	1.1
Swedbank Robur Fonder	553,323	1.0
<b>Total, 15 largest shareholders</b>	<b>24,858,339</b>	<b>43,4</b>
Other	32,389,197	56.6
<b>Total</b>	<b>57,247,536</b>	<b>100</b>

**30 June 2024:**

Cibus has 51,000 shareholders

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# Financial Overview

C6

**K**Market

**Cibus**  
Converting food into yield



# Significant events during the quarter

At the Annual General Meeting on 15 April 2024, Patrick Gylling was re-elected Chairman of the Board and Elisabeth Norman, Victoria Skoglund, Nils Styf and Stefan Gattberg were **re-elected as Board members**.

On 1 May, it was announced that Cibus's Board of Directors had resolved to offer repurchase of 158,604 options from holders of the 2020 series of warrants in the Company. The offer was **conditional on warrant holders reinvesting the repurchase consideration in Cibus shares** using retained warrants. 1,396 warrants were used to subscribe for 1,396 new shares in Cibus.

On 28 May, it was announced that Cibus had signed an agreement to **acquire six grocery anchored assets in Sweden** for SEK 87.5 million. Five of the properties were taken possession of immediately and the remaining property is planned to be taken possession of during the third quarter. Pekås i Värmland AB (Coop) is the anchor tenant at five of the locations and ICA Sweden AB at one of the properties.

On 29 May, Cibus announced its intention to **exercise its right to prematurely redeem its senior unsecured green bonds** under ISIN SE0013360716 (loan number 102). Redemption occurred in early July at the par amount (100% of the nominal amount). In connection with the redemption, the bonds were de-listed from Nasdaq Stockholm's list for sustainable bonds.

On 31 May, it was announced that **the total number of shares and votes in Cibus had increased in May 2024**, due to the exercise of series 2020/2024 warrants. Accordingly, the number of shares and votes in Cibus amounted to 57,247,536 and the share capital in Cibus amounted to EUR 572,475.36 as of 31 May 2024.

# Q2 2024 in brief

EUR THOUSAND	Q2 2024	Q2 2023	Jan-June 2024	Jan-June 2023
Rental income	30,447	29,633	60,966	59,300
Net operating income	30,457	28,050	58,571	55,650
Net financial items	-16,670 <sup>1)</sup>	-14,395	-30,087	-28,009
Profit from property management	10,324 <sup>2)</sup>	11,543	22,553	23,334

1) Interest cost (net) on callable bonds amounted to -833 TEUR during Q2 2024.

2) Profit from property management, excl non-recurring items and FX amounted to 11,912 TEUR in Q2 2024, which corresponds to 12,745 TEUR excl. interest cost (net) on callable bonds of -833 TEUR during Q2 2024.

# P&L Highlights Q2 2024

- During the second quarter, service income also included non-recurring insurance compensation of EUR 1,816 thousand for fire damaged to a property in Finland. The property was subsequently sold in the second quarter of 2024
- Cibus reported a non-recurring expense of EUR -1,071 thousand for the quarter based on the resolution by the AGM to subsidise the option premium EUR -441 thousand for the 2024 warrant programme of and the resolution by the Board in the second quarter of 2024 to foster the long-term interests of the Company, repurchase the premiums previously paid by employees for the 2022 warrant programme of EUR -630 thousand.
- Net financial items includes a non-recurring expense of EUR -3,629 thousand for repurchasing bonds maturing in 2024 and 2025. Most of the expense was charged in connection with the issue of new bonds and was justified by lower current interest expenses in the future and reduced refinancing risk in the bond portfolio. We also have an exchange rates change of EUR 1,296 thousand (-454) in net financials.
- Profit from property management, excluding non-recurring items and exchange rate effects, amounted to EUR 11,912 thousand.
- Unrealised changes in value affected profit by EUR -8,338 thousand (-8,258) on properties. The negative change in value was mainly attributable to Finland and Denmark.
- Unrealised changes in the value of derivatives amounted EUR -331 thousand (2,495).

EUR, Thousands	Q2 2024	Q2 2023
<b>Net Operating income</b>	<b>30,457</b>	<b>28,050</b>
Administration costs	-3,463	-2,112
Net financial items	-16,670	-14,395
<b>Profit from property management</b>	<b>10,324</b>	<b>11,543</b>
Realised change in value of investment properties	192	-
Unrealized change in value of investment properties	-8,338	-8,258
Unrealized changes in value of Interest-rate derivatives	-331	2,495
<b>EBT</b>	<b>1,847</b>	<b>5,780</b>
Current tax	-267	-39
Deferred tax	646	-1,751
<b>Earnings for the quarter</b>	<b>2,226</b>	<b>3,990</b>
<b>Earnings per share (before and after dilution)</b>	<b>0.03</b>	<b>0.06</b>



# Current earnings capacity

Amounts in EUR thousand	1 Jul 2023	1 Oct 2023	1 Jan 2024	1 Apr 2024	1 Jul 2024	Change (1 July 2024 - 1 July 2023)
Rental income	119,000	120,200	121,600	121,900	122,500	
Property expenses	-7,700	-7,800	-7,800	-7,800	-7,800	
<b>Net operating income</b>	<b>111,300</b>	<b>112,400</b>	<b>113,800</b>	<b>114,100</b>	<b>114,700</b>	<b>+3%</b>
Administrative expenses	-8,170	-8,300	-8,520	-8,520	-8,550	
Net financial items*	-52,050***	-51,100	-51,510	-51,300	-50,950	
<b>Profit from property management</b>	<b>51,080</b>	<b>53,000</b>	<b>53,770</b>	<b>54,280</b>	<b>55,200</b>	
Expenses, hybrid bond costs	-2,500	-2,610	-2,600	-2,600	-2,540	
<b>Profit from property management plus expenses for hybrid bond</b>	<b>48,580</b>	<b>50,390</b>	<b>51,170</b>	<b>51,680</b>	<b>52,660</b>	
Adjustment of non-cash items	3,490	3,110	3,155	3,155	2,840	
<b>Total profit from property management excluding non-cash items plus expenses for hybrid bond</b>	<b>52,070</b>	<b>53,500</b>	<b>54,325</b>	<b>54,835</b>	<b>55,500</b>	
<b>Profit from property management per share excluding non-cash items plus expenses for hybrid bond, EUR**</b>	<b>0.91</b>	<b>0.93</b>	<b>0.95</b>	<b>0.96</b>	<b>0.97</b>	<b>+7%</b>

\*In accordance with IFRS16, site leasehold fees are included among financial expenses. Financial expenses also include prepaid arrangement fees not affecting future cash flow.\*\*A new share issue of 1,396 shares was conducted through a private placement in connection with the exercise of warrants on 1 April 2024. The number of shares subsequently totalled 57,247,536.

\*\*\*Including an additional interest rate cap signed in July 2023.

As of 1 July 2024, the earnings capacity regarding profit from property management excl non-cash items + expenses for hybrid bond per share for the ensuing 12 months was 0.97 EUR per share, an increased with 0.01 EUR per share since last quarter.

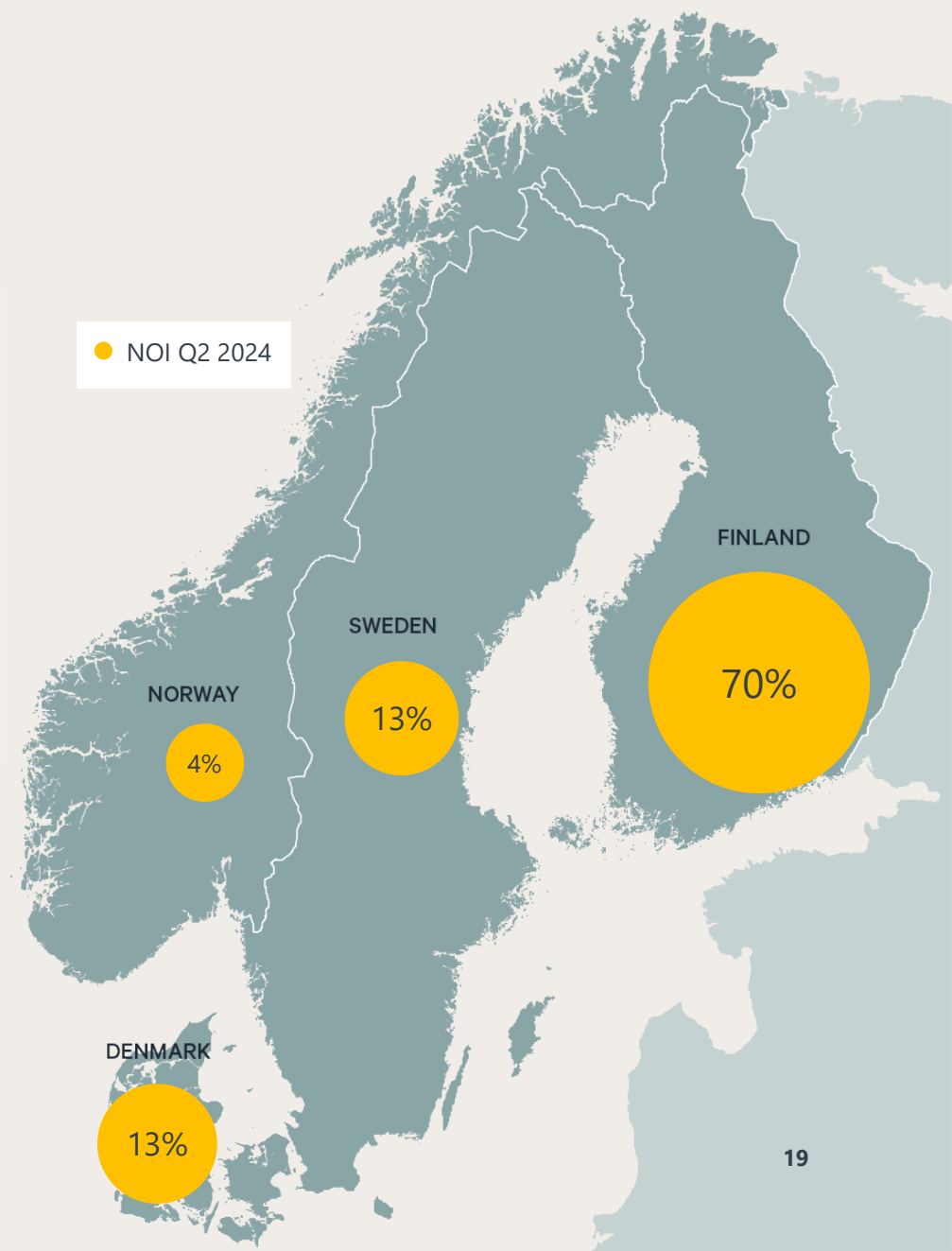
# Net operating income in a comparable portfolio (Earnings capacity)

	EUR thousand	% effect
<b>Net operating income 1 Jul 2023</b>	<b>111,300</b>	
Effect of changes in property expenses	10	+0.0%
Effect of changes in occupancy	-1,408	-1.3%
Effect of indexation and other rent increases	4,876	+4.4 %
Effect of other changes	-548	-0.5 %
<b>Comparable portfolio, 1 April 2024</b>	<b>114,230</b>	<b>+2.6 %</b>
Currency effect	-40	-0.0 %
Properties acquired/sold	510	+0.5 %
<b>Net operating income 1 Jul 2024</b>	<b>114,700</b>	<b>+3.1 %</b>

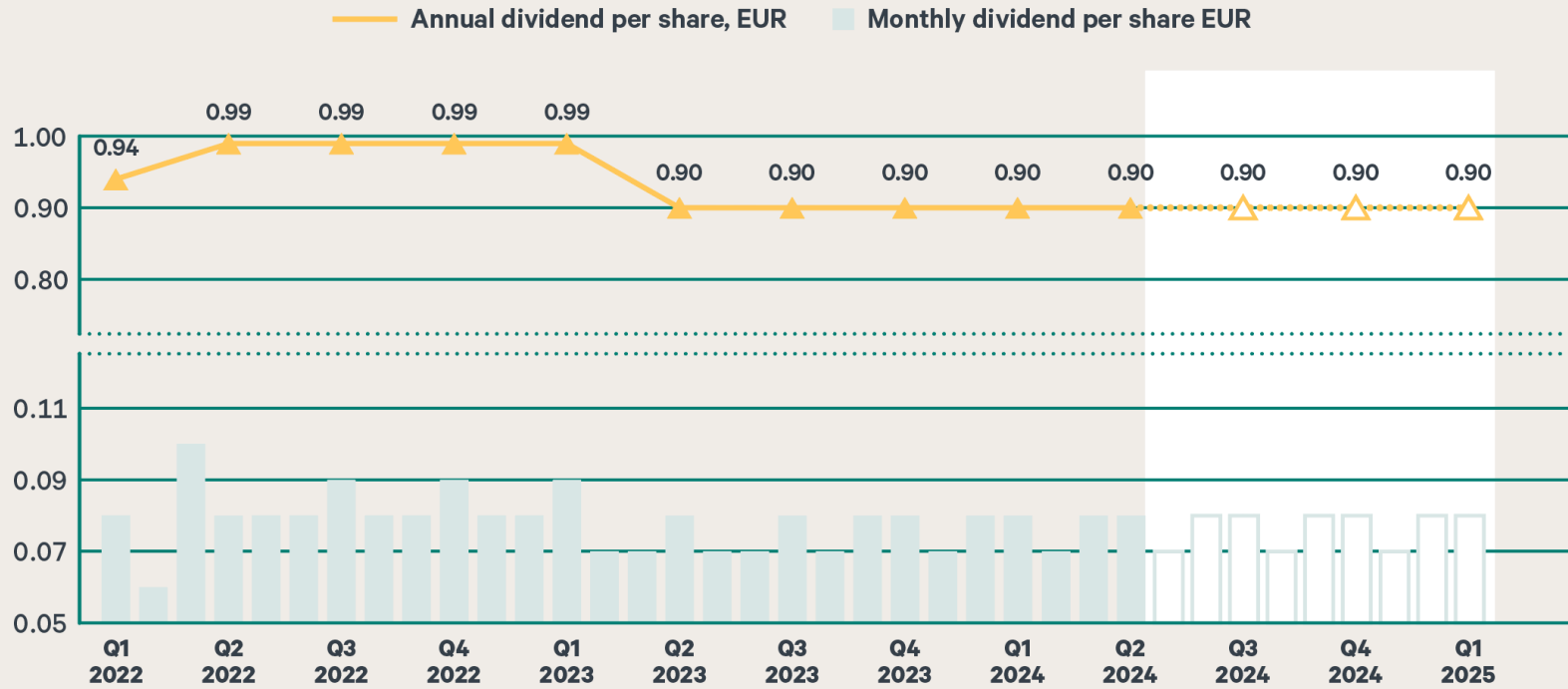
The effect of indexation and other rent increases amounted to 4.4% annually. Indexation increases going forward will increase NOI and cash flow while financial expenses are 97% capped.

# Segments Q2 2024

Q2 2024 Amounts in EUR thousand	Cibus Finland	Cibus Sweden	Cibus Norway	Cibus Denmark	Cibus Group
Rental income	20,976	4,140	1,167	4,164	30,447
Service income	5,050	400	17	527	5,994
Operating expenses	-3,935	-288	-69	-452	-4,744
Property tax	-713	-210	-21	-296	-1,240
<b>Net operating income</b>	<b>21,378</b>	<b>4,042</b>	<b>1,094</b>	<b>3,943</b>	<b>30,457</b>
<b>Investment properties</b>	<b>1,173,495</b>	<b>257,745</b>	<b>68,451</b>	<b>268,602</b>	<b>1,768,293</b>



# Cibus' strategy is to give its Shareholders strong dividends on a monthly basis



**6.5%**  
Dividend yield  
share price\*

\* Based on 0.90 EUR per share and share price 157.80 SEK



The 2024 Annual General Meeting decided that an **unchanged dividend of EUR 0.90** (0.90) per share be paid, divided between 12 payment occasions.

# Balance sheet (NRV & LTV)

Balance sheet (30 June 2024)	€'m (unless otherwise stated)	LTV, %
Property value	1,768	
Secured debt (-)	-889	50.3
Unsecured bond (-) <sup>(1)</sup>	-241	
Other net assets(+)/liabilities(-) <sup>(2)</sup>	68	
Hybrid bond	-30	
EPRA NRV	676	
EPRA NRV / Share (€)	11.8	

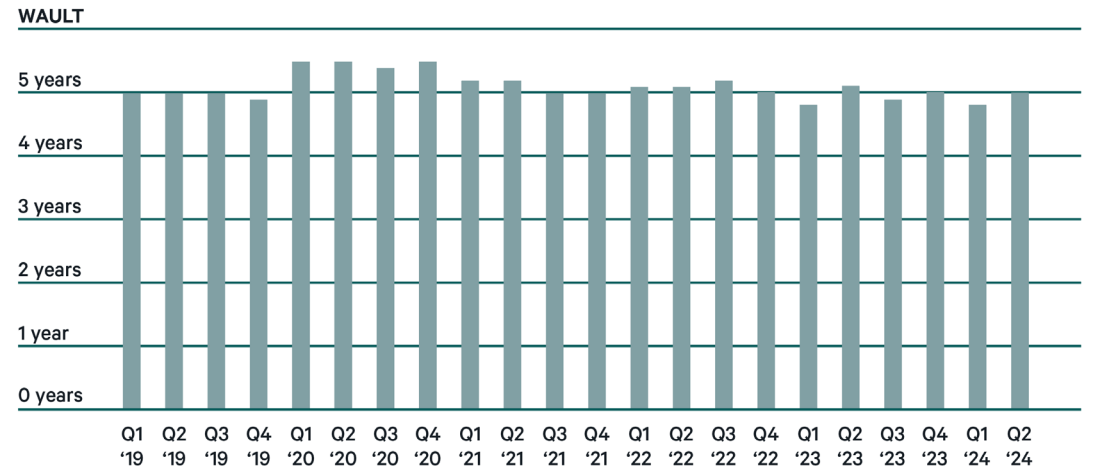
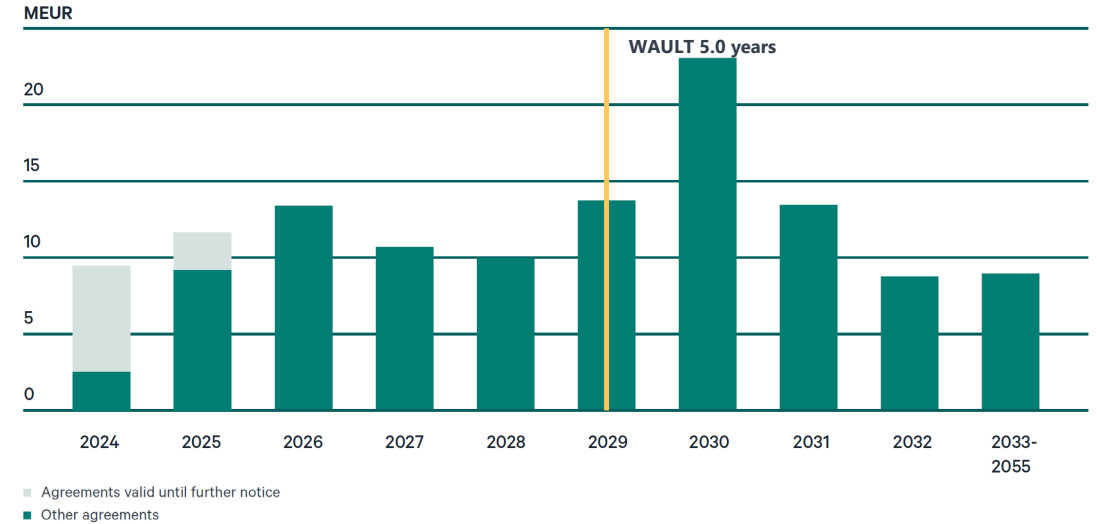
Net LTV  
58.9%

<sup>1)</sup> As of 30 June 2024, a bond is included maturing on 29 December 2024 (MTN loan 102) of EUR 18,200 thousand that Cibus repaid in full in early July 2024. If this loan is disregarded, the bond debt is EUR 223,317 thousand or 19.6% of external financing. If also bonds of 31 694 TEUR are disregarded (MTN loan 103 and 104), which Cibus can call for early redemption during the second half of 2024, the bond debt is 191 622TEUR or 17,3% of external financing.

<sup>2)</sup>Excluding deferred tax

# WAULT likely to be sustained around 5 years

- An even number of leases up for renewal each year
- Typically leases renew at same terms for 5 years
- WAULT likely to remain at around 5 years over time



# Funding

## Bank loan

76.6% of Cibus's external funding sources comprise of bank loans. As of 30 June 2024, the Group has bank loans of EUR 888,662 thousand with a weighted average floating credit margin of 1.6% and an average weighted capital maturity of 1.5 years.

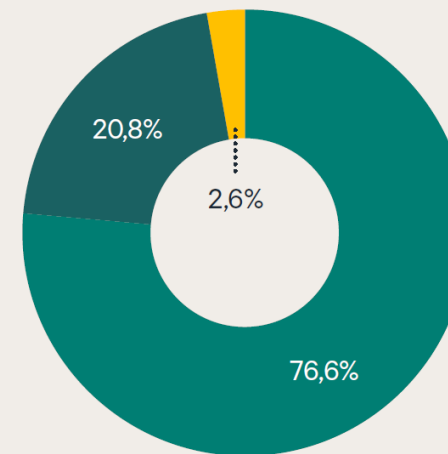
All current bank loans with a remaining term of less than 12 months are currently being refinanced, representing a total amount of EUR 262,257 thousand as of 30 June 2024. The estimate is that the current portion of the bank debt, as per Q2, will be refinanced during the second half of 2024.

## Bonds

Of Cibus's external financing sources, 20.8% comprise unsecured bonds for a nominal amount of EUR 241,517 thousand. If bond 102 which was paid back in July is disregarded as well as loan 103 and 104, which Cibus can call for early redemption during the second half of 2024, the bond debt is 191 622 TEUR or 17,3% of external financing.

## Funding sources

- Bank loans  
EUR 888,662 thousand
- Bonds  
EUR 241,517 thousand
- Hybrid bonds  
EUR 30,000 thousand



Interval	Capital maturity				Interest maturity			
	Secured bank loans		Bond		Total borrowings		Total borrowings	
	EUR thousand	Average margin	EUR thousand	Average credit margin	EUR thousand	Percentage	EUR thousand	Percentage
0-1 year	262,257	1.5%	18,200	4.0%	280,457	25%	280,659	25%
1-2 years	492,618	2.0%	31,694	6.6%	524,312	46%	411,828	36%
2-3 years	133,787	0.9%	50,000	4.0%	183,787	16%	131,069	12%
3-4 years	0	-	141,622	3.8%	141,622	13%	306,622	27%
<b>Total</b>	<b>888,662</b>	<b>1.6%</b>	<b>241,517</b>	<b>4.2%</b>	<b>1,130,179</b>	<b>100%</b>	<b>1,130,179</b>	<b>100%</b>

# Funding

## Interest rate cap

Amounts in EUR thousand	Interest rate cap	Maturity date
35,000	3M Euribor 2.00%	29 Dec 2024
30,000	3M Euribor 0.50%	16 Jun 2025
105,000	3M Euribor 3.50%	16 Jun 2025
90,000	3M Euribor 1.50%	14 Jul 2025
138,150	3M Euribor 2.00%	30 Sep 2025
50,600	3M Euribor 0.00%	10 Dec 2025
86,000	3M Euribor 2.00%	30 Jan 2026
<b>534,750</b>		

Amounts in SEK thousand	Interest rate cap	Maturity date
572,220	3M Stibor 0.25%	4 Mar 2025
110,000	3M Stibor 0.25%	8 Jan 2026
30,000	3M Stibor 3.50%	8 Jan 2026
<b>712,220</b>		

Amounts in NOK thousand	Interest rate cap	Maturity date
120,000	3M Nibor 2.50%	15 Oct 2025
90,000	3M Nibor 2.50%	22 Dec 2025
72,275	3M Nibor 4.00%	30 Nov 2026
<b>282,275</b>		

## Interest rate swaps

Amounts in EUR thousand	Paying fixed	Receiving variable	Maturity date
20,000	2.94%	3M Euribor	1 Jul 2027
125,000	2.96%	3M Euribor	15 Jul 2027
30,000	2.97%	3M Euribor	29 Sep 2027
70,000	2.97%	3M Euribor	28 Nov 2027
<b>245,000</b>			

Amounts in SEK thousand	Paying fixed	Receiving variable	Maturity date
100,000	3.20%	3M Stibor	8 Jan 2026
50,000	3.19%	3M Stibor	8 Jan 2026
435,000	3.48%	3M Stibor	15 Jul 2027
<b>585,000</b>			

## Interest rate swaps with future starting dates

Amounts in SEK thousand	Fixed interest	Start date	Maturity date
265,000	2.89%	2 Oct 2024	2 Oct 2027
<b>265,000</b>			

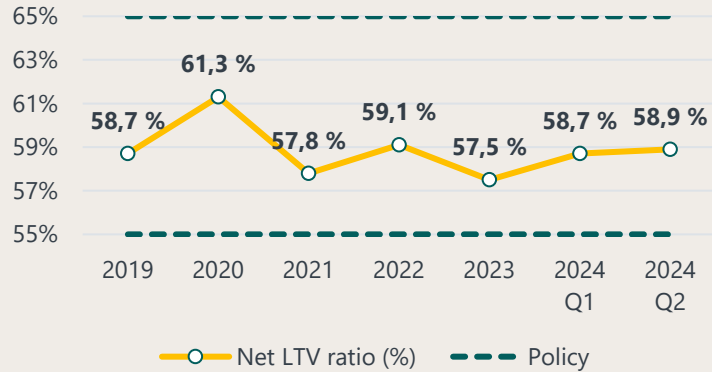
## Interest rate sensitivity analysis

Based on reported earnings capacity and taking into account existing loans maturing at fixed interest, as well as other interest-rate hedges, the effect on profit when market interest rates rise by about **1 percentage point** is roughly **EUR -545 thousand on an annual basis**. The effect on profit of a **2 percentage point** higher market interest rate will be **EUR -1,090 thousand on an annual basis**.

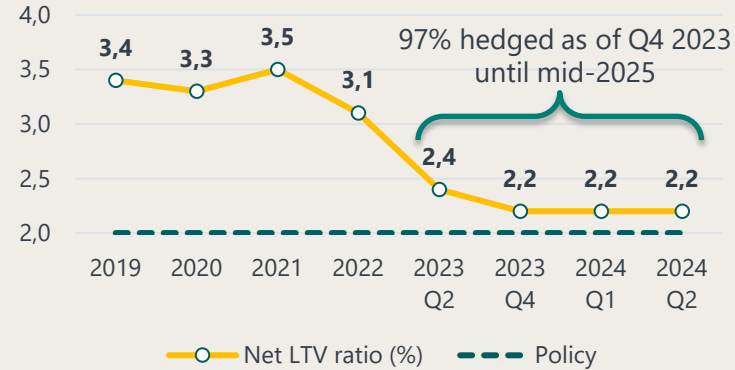


# Key credit metrics

Net LTV ratio (%)



Interest coverage ratio (x)



## Covenants

**Net LTV ratio policy** between 55-65%

Net LTV ratio: we are operating in the lower part of our allowed range of the of the policy range.

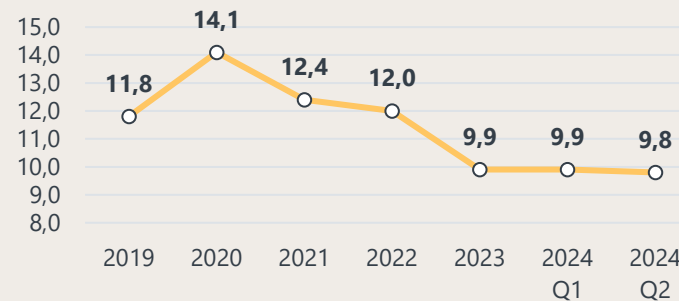
Covenant in MTN programme is 70%

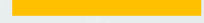
**Interest coverage** policy above 2.0x

Exposure to floating interest rates is limited over the upcoming 12-month period. Interest expenses are sluggish during this period and, all else being equal, achieving the target will be possible even on rising market rates

Covenant in MTN programme is 1.50x

Net debt/EBITDA ratio (x)





# Future

Netto



1

Netto



# Outlook



**Earnings capacity** started to grow in the second half of 2023 and Cibus' strategy is to continue this development



**CPI** outlook figures look to support continued growth in rental income through indexation



**Stable development** in daily-goods business and several new retail growth initiatives could lead to more SLB



Falling **interest rates** should mean stabilised valuations and increased **transaction volumes**



**An increased investor appetite** for stable cash flow operational sectors including IPO and multiple transactions



**Strong support** from equity and bond markets as well as from senior banks market which facilitates transactions



**Motivated, competent and agile** organisation that is ready to react

# Outlook ESG – Focus on “E” and “S”

- Cibus has recently completed its double materiality analysis and aims to include ESRS reporting in the 2024 Sustainability Report.
- Green framework and Sustainability linked framework in place under 2023. Three bonds during 2024 issued under the green framework.
- Working towards CO2 neutral in 2030 target.
- Energy in focus.
  - Net-leases – working side-by-side with our tenants for energy efficiency
  - Installation of EV charging stations – signed 50 locations in Finland and Sweden in Q2
- Daily-goods real estate has important role to play in everyday life.
  - Daily-goods important part of sustainable and resilient society.
  - A physical meeting place in the modern world. Social infrastructure.
  - Increase focus on the important social aspects of our daily-goods portfolio – create accessible and safe marketplaces together with our tenants.



# Focus areas going forward

## Stability and EPS

- Grow earnings capacity per share
- Continued stable cash flows and dividend paying capacity
- CEPS accretive potential transactions
- Continued balance sheet optimisation

## ESG

- Social infrastructure as part of a resilient society
- Daily-goods as a meeting place
- Energy efficiency
- Climate Neutral by 2030
- Preparation for ESRS



# Primary reasons to invest in the Cibus share

## Converting food into yield

### 1 High and stable yield

Cibus strives to earn a high and stable yield for shareholders.

### 2 Potential for favourable value growth

99% of Cibus' rents are CPI-linked which will give noticeable growth in our NOI even without acquisitions. Cibus' investment strategy is to acquire individual properties or property portfolios that increases earnings per share.

### 3 Monthly dividends

Since October 2020, Cibus pays dividends monthly

### 4 A segment with long-term resilience and stability

The grocery and daily-goods sector has experienced stable, non-cyclical growth over time. Historically, the grocery sector has grown by approximately 3% annually, even during periods of recession. It also shows strong resilience to the e-commerce trend that has made the stores into a distribution network for goods purchased online.

